

# THE HEALTHY AMERICANS ACT: Working for Employers

## **Small Service Employer**

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Daisy Hills Day Care has 32 employees, 8 are full-time and the other 24 work an average of 20 hours per week. Only the 8 full-time employees are currently eligible for the Daisy Hills health plan, and 6 take advantage of it. The firm pays half of the premium for employees, nothing for family coverage. Daisy Hills's total current health care costs are \$10,400 per year, which pays for coverage of only 6 employees. Under the Healthy Americans Act, Daisy Hills would pay a total of \$6,208 per year in Employer Shared Responsibility payments. This amount represents 4% of the national average essential benefit premium multiplied by 20 full-time equivalent employees.

## **Small Restaurant**

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Doug's Diner has 3 full-time and 9 part-time employees who work an average of 30 hours per week. Doug cannot currently afford to offer health care to his employees. He often loses his best staff to chain restaurants that offer health insurance and is unable to afford insurance for himself and his family on the individual market. This small family business falls into the lowest rate tier under revenue by employee, paying a 2% rate. Under the Healthy Americans Act Doug will pay \$1,513 per year and he, his family, and all of his employees will have access to affordable health insurance.

## **Mid-Size Financial Institution**

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Happy Valley Bank has 1,600 full-time employees and 400 part-time employees who work an average of 25 hours per week. All employees who work over 20 hours per week are offered and take advantage of health care. The firm pays 80% of the premiums for individuals and families. Under the current system, Happy Valley's total health care expenditures are \$10,200,000 per year. Under the Healthy Americans Act, they will pay a total of \$3,589,463 per year. This amount represents 25% of the national average essential benefit premium per employee.

## **Mid-Sized Manufacturing Firm**

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Allied Industrial has 1,000 full time employees. The firm pays 100% of individual premiums and 80% of family premiums for all employees. Currently Allied pays \$6,100,000 per year in health care premiums and has been seeing 10% increases year over year for several years despite the use of a number of cost-control measures. Allied falls into the middle range of companies in revenue per employee, paying the 21% rate. Under the Healthy Americans Act, Allied will pay \$1,629,890.

## **Large Specialty Retailer**

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Acme Game Emporiums is a national specialty retailer with 2,000 full time and 7,000 part time employees who work an average of 22 hours per week. All full time and 4,500 of the part time employees are eligible for and take advantage of Acme's health plan. The firm pays 95% of employees' premiums and 60% of family premiums. Their current total health care costs are \$52,000,000 per year. As a retailer with relatively low revenue per employee, Acme pays the 19% rate. Under the Healthy Americans Act, Acme will pay \$8,626,351.